

FISCAL MEMORANDUM
SB 2767 – HB 3405

February 11, 2008

SUMMARY OF AMENDMENT (014063): Deletes the original bill requiring the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to study utility districts providing service to customers outside their district and authorizes utility districts to provide service to a customer in an adjoining utility district if the adjoining utility district refuses or fails to provide service to the customer. Establishes procedures for a customer or the adjoining utility district to file a request for such service with the Utility Management Review Board.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$93,300/One-Time

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Increase Local Revenue – Not Significant

Increase Local Expenditures – Not Significant

Assumptions applied to amendment:

- The number of such requests will be small and the Utility Management Review Board will not require additional resources to hear customer or utility district requests. Thus any increase in state expenditures is estimated to be not significant.
- Because the number of such requests will be small and utility districts are required to recover their costs through rates charged to customers, any increase in expenditures from providing services to additional customers will require additional revenue from customers. The increase in local government revenue and expenditures is estimated to be not significant.

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CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/kmc